

Health Benefits Exchange Board

Tuesday August 7, 2012

RI Foundation – 1:00pm

Meeting Minutes

Attendees: Chair Meg Curran, Pam McKnight, Commissioner Koller, Linda Katz, Director Licht, Tim Melia, Amy Zimmerman, Dwight McMillan, Secretary Costantino

Absent: Mike Gerhardt, Marta Martinez, Don Nokes

- I. Call to Order – Chair Curran called the meeting to order at 1:00pm. She welcomed Director Christine Ferguson to the meeting, as she will be giving the presentations today.
- II. Director Ferguson – Welcomed members and advised that thus far she has been scheduling individual meetings with each of the Board members, with more coming down the pike, to try to get a sense of where we all stand on the meetings, and what the Board members envision for the Exchange.
- III. Presentation – Update on the Exchange from the view of the Director (slides available upon request).

Questions/Comments/Clarifications

- a. Director Licht: Publically I would like to welcome you and state that we are glad to have you leading this endeavor. I have two questions, first the supreme court decision, while we all applaud it, is there anything hidden in the decision that raises concerns, or pitfalls we need to be aware of?
 - i. Christine Ferguson: For us it is not so much a pitfall as it's an opportunity. As the opportunities under Medicaid may be more than it was before. The mandate for the expansion is no longer a mandate, but there are options that did not exist before that a lot of states are looking at. That world has gotten a bit

muddier, but it is something to look at. The issue of how we review these options given flexibility may give us directions we can go in that would be beneficial to the state. I prefer not to think about the possible negatives. Perhaps the secretary would like to weigh in?

- b. Secretary Costantino: The issue is there are already 6 or 7 states that are challenging or taking up the SCOTUS choice to not expand Medicaid. The closest, I believe, is Maine. A few other states are following suite. What SCOTUS said was that you will not get penalized. There has been some give and take with CMS right now on agreeing to that. I am not suggesting RI do that, I think the sense is that we want to move forward with the Medicaid expansion... will Congress change provisions etc. That is the nervousness about the new enrollees.
- c. Director Licht: Second question I have, which is a big concern for me, the team you inherited will pick a phenomenal technology provider and that process will go over fine. I am concerned about the complexity of enrolling in this. For me, the most important decisions that need to be made are around the Navigator. Where are we on that?
 - i. Christine Ferguson: Once we have a vendor selected. The three competitive vendors we are considering have all shown us approaches to that question. The philosophy that the Board has had, the Stakeholders, the Community general has had, and certainly my own experience has, is that simpler is better. With the back end, make sure there isn't fraud, but also balancing that with a system that people can interact with simply. The other questions are how complicated are we going to make the assortment of choices. Those are the questions that really for the next 6-8 weeks we will need to consider. More standardization or less standardization, reflection of the market as it currently exists or something different. We are at an interesting place as we have municipalities that are really

struggling with how to manage these issues individually. Some of that may complicate a little bit what we are talking about, but in the end should refine to something simpler. WE are not at a point where we know how simple that will be. The number of decisions and questions are still to be decided.

d. Director Licht: Under my DOA hat, has there been any serious thought to whether there will be state employees or not.

i. Christine Ferguson: There are a whole series of ways of approaching that. There has been good discussion so far. If you are thinking about Navigators and the support necessary as you go through the system for health insurance specifically, my guess is that will not end up being a state employee sort of role. That will change over time, front end loaded and then much less over time. Some of the other questions about existing eligibility, there are three or four phases of this, phase two being all of the DHS programs everything under EOHHS, that will then require us to think about a combination of things. What I am trying to do right now is sort through. What are the questions that if we do not answer right now will impact the design, and what are the questions we can respond to later on

e. Commission Koller: We have discussed the future of employers and employees. Do you think the employer/employee question is a key question to make now?

i. Christine Ferguson: There are a lot of different ways of reading that statute, what is the value of employees vs. employers can do in a new system. There is a part of me that thinks it would not be a bad thing to just push forward with an approach that can be assigned a value, and if the RIS wants in six months to review it, then we look at it.

f. Commission Koller: Employees, municipalities is it too early to learn lessons from aggregating purchasing power in other states.

- i. Christine Ferguson: I think for our purposes, aggregating purchases in one portal doesn't make sense. Having alignment, and some of the same criteria is potentially doable. We are not at a point where we know how successful that has been, or how we are measuring success. One core thing I will bring back to the board is what are our measures of success, and to what extent does access to health insurance mean anything other than helping people pay bills. Is there anything else that it leads to? There are a bunch of different measures that collectively will add to the value of things being spent.

Commission Koller: In terms of the opportunity you were talking about re: state employees in roles, there may be a place pre exchange?

- ii. Christine Ferguson: The interesting thing is that we are on the same timetable, we have a lot more to do in terms of analysis, to see if there is any value across the Board. I was able to meet with Director Licht yesterday, and I am talking to others to really move the staff through to pull these policy questions together. We have copious amounts of analysis to do, but pulling it down to what we need to make a series of decisions and marrying themselves to what are the components of our market and knowing what the overall cost looks like, well we have got a significant amount of work to do. That is where the next 6-8 weeks need to look at, with the support of all of the agencies. We have resources to support the decision making process, but here are a series of options to consider. There is no way of knowing what will work – 70% chance of success of this vs. 90% success of this, but the odds of being able to do something are greater with the option with the 70% chance of success option – so then considering what do we do.

g. Linda Katz: It is really incredible how much work the staff has been doing and how far we have come. Also the process has been really open to work groups etc. I want to make sure that we are really intentional, in terms of getting consumer input and using consumer testing on a lot of the pieces we are looking to do. It would be great to see that, or see if we can lay out how we will do that. I also want to go back to the question about the Navigators. It dovetails with the question of what is the scope of the work of this Board. Because we have made the decision to have one portal for access to benefits. We need a discussion here about what the role of this body is as we cross into the Medicaid realm and the commercial part. The eligibility piece and how people get those services – your responses have concerned me a bit. There is clearly an issue over what is the existing welfare offices, what are workers doing. We need to all get on the same page in terms of what are people doing etc. For example, Medicaid can be rolled back to a 133% adherence – is that a good idea, a bad idea? BHP – same thing question.

i. Christine Ferguson: From the place that I am sitting and what has been tasked, the challenge is that the decisions are interrelated. While this body may not have a decision making role, as it is Advisory, being able to see the same kind of information being discussed across programs is key in the process of the whole. There are opportunities for input. In terms of process, what goes where, how everything gets done, there are a lot of open questions. I think what my goal is in the next 6-8 weeks is to get a clearer perspective on those things, first and foremost to get the information on how the processes are used, which can inform those who are advising us. Understanding that at the end of the day the Governor has the final decision. Want to extract the right kind of advice and information. One thing I will say as I come back into this

world, is the beauty of the situation is that when you go speak to people individual, the path and the goal of what we want to see for a delivery system, is remarkably similar. That is not the experience I have had working with other states. The task is that people are generally going in the same direction, from both a process perspective and a substantive how do pieces interact. If we remember that we want to get to the same place, it takes some of it a bit easier.

- h. Secretary Costantino: If I may, I think what we maybe mentioning at some point we will be at an implementation phase. We need to look at the business processes of the departments involved in this. What makes me nervous is that we can make the best eligibility system around. If what is behind it, the workforce, the rules, the pieces, all which need to be lined up with the goal and are not in place by a certain point.
 - i. Christine Ferguson: Then we will have the MMIS system that we had and caused problems.
 - ii. Secretary Costantino: Well if you have a dynamic portal you do need the workforce to back that up.
 - iii. Christine Ferguson: All of the resources that we have are being focused on this to get what we can do, done. Regardless of whether it is state or non-state. We want the business process that does work now continues, and what does not will be left behind. While there are still pieces I do not understand how we will approach as yet, we will devote appropriate resources.
- i. Tim Melia: The “who,” the “what” and “how,” will that be determined, or is it being determined pre portal?
 - i. Christine Ferguson: That has to be decided now. I would call those implementation, execution and design questions that have to be decided in the next 4-5 months.

- ii. Linda Katz: The rules of the exchange require that at least one of the groups of the Navigator include at least one non-profit. We know we have a resource in state government that does Medicaid eligibility – how does that get deployed in 2014. There are pieces, making the portal run, having the people there. These are areas we need to figure out and plan.
- iii. Christine Ferguson: If it wasn't specific enough, in my mind I have two separate groups of people with some overlap going down the design path, and the policy questions that need to be answered and there is some friction between those two paths. What I can tell you is that it is a fundamental component of both tracks that needs to be figured out.

IV. Public Comment –

- a. Elaina Goldstein: Would like to publically thank Lindsay McAllister for her work on what I feel is a critical decision of what must be made - Essential Health Benefits. This issue of Medicaid and the questions and choices that need to be made around habilitative benefits in essential health benefits package. I think the work Lindsay did yesterday at the EHB stakeholder group was phenomenal, and to have everyone at that group listen to a number of different views on these crucial issues. Having said that I think there are some key issues that the Board should look at on this topic. One of the things that was mentioned, an issue of how many benefits are allowable, I think that when you were DHS director, Director Ferguson, and how you utilized the contractual relationship between Medicaid and the Health Plans, is good policy and a good road on which to travel. I think in a way that we can move forward, and I hope the Board will look at what is happening as an opportunity for doing something that I believe is the intent of the ACA.
- i. Christine Ferguson: The good news for the Board is that they do not have to go through the excruciating decisions – we can

provide thoughts and options that they can go through and review. Collectively then through a safe perspective, that issue is on the short list of things we really have to do in the next 6-8 weeks. I am trying to meet with stakeholders that I need to ensure we have heard from, and you are on that list and the folks. Also there is an EHB 2 week public comment period.

- ii. Dwight McMillan: Can you speak a bit to that process you are referring to?
- iii. Christine Ferguson: The stakeholder process that was referred to has been going on since April, and at this point on www.healthcare.ri.gov, we can allow the public to provide comment to the process and the material to assist the staff and the leadership in the healthcare reform commission the options on the EHB. I know we are looking at the timeframe of when that decision needs to be made and when the board meeting schedule works up.
- iv. Commission Koller: The issue of implementing the policy is a good example of what you were discussing before. The opportunity if we do this right is to have decisions whether by contract, regulation or certification.
- v. Christine Ferguson: Right and that is the opportunity and the challenge.

b. No additional public comment.

V. Adjourn